

TODAY'S PRICES
Mexican bank notes, state bills, 9@10c; pesos, 78c;
Mexican gold, 58@59c; nacionales, 174@185c; bar
silver, H.H.H. quotation, \$1.01; copper, 32c; grains,
higher; livestock, steady; stocks, higher.

LATEST NEWS BY ASSOCIATED PRESS.

DELIVERED ANYWHERE, 10c MONTH

EL PASO, TEXAS, FRIDAY EVENING, OCTOBER 18, 1918.

SINGLE COPY FIVE CENTS

HOME EDITION

WEATHER FORECAST.
El Paso and West Texas, fair; New Mexico, rain east;
Arizona, fair, freshening north. (Food forecast for Sat-
urday—One wheatless meal).

12 PAGES TODAY.

EL PASO HERALD

ENEMY EVACUATING OCCUPIED TERRITORY IN NEAR EAST LANDS

Reports Say Forces of Central Powers Are Clearing Out
of Serbia, Albania and Montenegro; Allies in Serbia
Continue Successful Advance Northward From
Nish; Serb Troops Take Town of Kruchevats.

LONDON, England, Oct. 18.—The evacuation of the territory of Serbia, Albania and Montenegro by forces of the central powers has begun, according to a dispatch from Vienna forwarded by the Amsterdam correspondent of the Central News agency.

SERBS TAKE ANOTHER TOWN.
The allied troops in Serbia continue successfully their advance northward from Nish. A statement from the Serbian war office announces that the Serbs have captured Kruchevats, 30 miles northwest of Nish.

ALLIES CRUSH GERMANY'S DREAM OF DOMINATING FLANDERS COAST

Evacuation of U-Boat Bases "Doubly Humiliating and
Morally Ruinous for War's Authors," Says British
Paper; Thursday Called Memorable Day in War;
British Are Paying Debt to Their Noble Allies.

LONDON, Eng., Oct. 18.—The German dream of dominating the Flanders coast has come to an end, the morning newspapers say, and they speak of Thursday as a memorable day in the war.

The Belgian coast ports, says the Daily Telegraph, were symbols of the enemy's U-boat campaign and the threat to Great Britain. The evacuation of these places, it adds, is doubly humiliating and morally ruinous for the authors of the war.

The Daily Mail says that by the rescue of Lille, the British nation and army have been able in some measure to repay the debt they owe to France.

"It is equally glorious that the British navy has been able to rescue the coastal cities of Belgium and the people of the coast for which they battled so long."

"Have in Wilson Line."
The Daily Express refers to the German evacuation of the coast as "another move in the Wilson line."

"Germany's belated abandonment of the practice of barbarism is the outcome of allied protests," says the Times.

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ALLIES CAPTURE ZEEBRUGGE AS Foe EVACUATES BRUGES; ROAD IS OPEN TO BRUSSELS

LONDON, Eng., Oct. 18.—(Via Mon-
trouille.)—Zeebrugge, the port of
Bruges and the second important Ger-
man submarine base on the Belgian
coast, has been occupied by allied
forces.

Bruges, seven miles south of Zee-
brugge, has been evacuated by the
Germans, according to information re-
ceived at the Belgian army head-
quarters.

More than 4000 prisoners were cap-
tured by field marshal Haig's forces
yesterday in their offensive in the
Bois de la Cateau region, the British
war office announced today.

Turning, a city six miles north-
east of Lille, has been entered by
the British troops, according to
the Evening News.

Between the Scheldt canal and the
Lys river, the British are continuing
their advance on the whole front.

Haig's forces north of Cambrai cap-
tured a number of villages and
crossed the Douai-Denain road. Ad-
vancing northeast of Lille, the British
reached a point within a mile of
Tournai.

Glorious Day For Allies.
Paris, France, Oct. 18.—Lille, Douai,
and Oostend, three great cities, have
been delivered from the enemy. This
is the most glorious day for the allies
since the battle of the Marne and it
is fittingly commemorated here as the
day of three months, which was opened
by Gen. Mangin's victorious counter-
offensive July 18.

Many cities have been liberated and
hundreds of square miles of
territory regained. The successes
have been splendid. But the victo-
ry in Belgium is not all.

The British south of Le Cateau have
broken the German positions and
now threaten the Hindenburg
line. The whole German defense

system eastward to the Meuse is
in peril.

The first result of forcing the Ger-
mans back to the coast is that the
fighting has been to the enemy's
disadvantage. They have been unable
to reach their further south. Without
exaggeration, it may be said that the
prospects of the future are even more
impressive than the actual results at-
tained.

Open Road to Brussels.
The road to Brussels is open. Ac-
cording to late advice the French
and Belgian armies were advancing
rapidly toward Bruges and Ghent. The
capture of Oostend makes it possible
to land reinforcements and throw
powerful forces against the extreme
right of the German army.

Gen. von Arnim's army is no longer
strong enough to sustain operations
on the extended front from the French
frontier.

It is, therefore, reasonable to
expect that the march across Bel-
gium will be rapid and that King
Albert will reenter his capital
within a few days.

While it may be admitted that the
Germans are fighting well and con-
ducting their retreat with great skill,
some military opinion here is that
the great military machine is in dan-
ger of collapse at no very great dis-
tance.

New German Retreat.
The Germans have begun a new
retreat from the area above the
Oise and Serre rivers, between Laon
and Cambrai, according to the offi-
cial statement from the war office
today.

French troops, advancing from
Avesnes and Chateau, are in pursuit
of the German rear guards. Avesnes
has been occupied by the French.

In the Argonne region, the French
have crossed the Aisne near Vouziers.
Fighting continues in the area west
of the German rear guard.

Huns Retreat British.
With British Armies in France, Oct.

17.—(Associated Press.)—Consid-
erable opposition has been met by the
British in the region southwest of
Dinant, but this fighting died down
some hours ago. In the Lille area al-
lied troops have reached Roubaix.

The battle line has been crossed at
St. Bonin and the station has been
captured. At last reports, the allies
were well east of the river and still
advancing.

Launch Powerful Attack.
The fourth army launched a power-
ful attack from Le Cateau southward.
American contingents participated in
the fight. First reports indicated fa-
vorable progress made everywhere.

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St. Bonin and the station has been
captured. At last reports, the allies
were well east of the river and still
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Prepared Lines Broken.
With British in Belgium, Oct. 18 (By
Associated Press).—In their plans for
a retirement from Belgium, the Ger-
mans had prepared three successive
lines, upon each one of which they
intended to halt and reform.

According to captured German officers,
the two first lines already have been
broken. The third line, however, is
still intact. At the beginning of the
allied attack, October 15, there were eight
divisions in the German first line.

New Divisions Exhausted.
These were reinforced by seven
new divisions, but the new divisions
already were exhausted and were of
little help. During the night of Oc-
tober 15-16, two divisions from the
Rhineland front were thrown into
the battle, but their strength had been
greatly reduced and their morale was
low. They were heavily in prisoners killed
and wounded.

The retreating Germans con-
tinue their hasty flight. At least
German soldiers threw bombs
and machine guns from the rear. The
Germans have sought shelter and
were waiting for liberation.

Enemy Conceals Losses.
But there is not the same exact data
as to the magnitude of losses, as these
are carefully concealed by the enemy
and the loss of an underwater craft
is much less apparent than that on the
surface. But a pretty accurate check
is kept on those which disappear and
the new ones taking their places. The
appearance of new boats is an im-
portant factor in the loss of the old
ones, which are crippled or mysteri-
ously disappear.

**Report U-Boats Ordered
TO RETURN TO HUN BASES**
Amsterdam, Holland, Oct. 18.—The
Hollandse Handelsblad publishes with re-
serve a report that the German admiralty
has ordered all U-boats to return to their
bases.

**FRENCH CAPTURE TOWN
OF IPEK, MONTENEGRO**
London, Eng., Oct. 18.—Serbian
troops engaged in ousting the Ger-
mans from the town of Ipek, in Mont-
enegro, have captured Kruchevats, ac-
cording to advice received today.

The French operating to the west
have captured the town of Ipek, in
Montenegro, according to advice re-
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**Committee Eliminates Six
Percent Tax On Undis-
tributed Earnings.**
Washington, D. C., Oct. 17.—The
senate finance committee, in revising
the war revenue bill, today amended
the house provision by fixing a flat
tax of 12 percent upon the net in-
come of corporations and eliminated
the section imposing a 6 percent tax
upon undistributed earnings. Chair-
man Simmons estimated that this
change would reduce the tax approxi-
mately \$140,000,000.

Present Rate Doubled.
In fixing 12 percent, the commit-
tee doubled the present rate.

Senator Simmons explained that un-
der the amendment, corporations
would be permitted to retain, for the
operation of their business, a part of
their earnings exempt from an addi-
tional tax. It is the committee's pur-
pose, he said, to authorize the secre-
tary of the treasury to determine
whether the amount retained by a
corporation for this purpose is ex-
cessive.

Amend Amortization Plan.
The committee also amended the
house provision of amortization in
war industries, so as to include ship-
building. House provisions exempting
from taxation farmers' insurance and
the income of war industries organi-
zations, the income from which
consists of assessments used for the
purpose only of paying expenses was
accepted unchanged.

Last Of Sub Bases Falls—
Zeebrugge, the second and last
of the submarine bases on the Belgian
coast, is reported occupied by the
British forces, probably naval
troops, and the enemy is reported
to have evacuated Bruges, which
Belgian cavalry is approaching.

In the Lille region, the British
are working their way toward the
city, and the French and Belgian
cavalry is approaching.

British Capture Town—
In the operations south of
Valenciennes, Thursday, the British
took 1000 prisoners.

The German retreat between the
Oise and the Serre was made
necessary, because the enemy was
in a pocket, the sides of which
were being pressed in by the
French. The French are advancing
northward from the junction
of the two rivers and have
taken Valenciennes, two miles east
of the junction and north of the
Serre.

Fighting Front Extended—
Northwest of the Argonne
forest, Gen. Gouraud is battling
forward against stubborn resist-
ance and the fighting front west
of Grudonne has been extended to
the north.

In the neighborhood
of Valenciennes, the French have
carried out an important stroke
by crossing the Aisne river. Evi-
dently, the French aim to advance
northeast from Valenciennes and
outflank the Germans in the
Boult forest. This would be of
great assistance to the American
advance east of the forest.

From reports it would appear
that two American contingents
are operating on the front east of
Cambrai and St. Quentin. One is

SERBS ARE SUNK MORE RAPIDLY TOWARD BRUGES

Record of U-Boat Activity
During Summer Favor-
able To Allies.

**ALL U. S. TROOPS
LANDED IN SAFETY**
Only Losses On Outgoing
Ships; Tonnage Sunk
Greatly Decreased.

AN American Naval Base, Oct. 18—
(Correspondence of the Associated
Press).—The record of submarine ac-
tivity for the summer months, June,
July and August, the period most fa-
vorable to submarines, is practically
made up and shows two highly sat-
isfactory results. The steady fall in
the allied shipping sunk and a steady
rise in the submarines destroyed. This
summer period, which has also cov-
ered the tremendous troop arrivals, is
equally satisfactory, not one of the
incoming troopships being lost and
every soldier being landed. Such
losses as have occurred have been on
outgoing ships, mainly freighters.

**As the American naval convoy
service has borne the brunt of this
protection, the results achieved
for the first summer are a notable
tribute to the American fleet.**

The record of tonnage losses for the
summer would be about 260,000 tons,
or about 50,000 tons less than the
monthly losses at the opening of the
year and 100,000 tons less than the
losses in March. As to the loss of
submarines, the one fact known defi-
nitely is that they are being de-
stroyed faster than they are being
built.

Enemy Conceals Losses.
But there is not the same exact data
as to the magnitude of losses, as these
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and the loss of an underwater craft
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**EXPECTED SOON FALL OF DOUBAIX
TO FOLLOW CAPTURE OF TURCOING**

More Important Developments Imminent as Allies Flat-
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Bruges; Huge Fires Reported in Bruges and Zee-
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LONDON, Eng., Oct. 18.—(By Asso-
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pursuing the retreating enemy on the
Flanders front today, with the object
of cutting off his retreat to Ghent.
The artillery is following swiftly and
carrying out a vigorous bombardment
with the same object.

The town of Blankenburch, on the
Belgian coast, southwest of Zee-
brugge, was occupied by allied forces
today.

From the Serre to the sea, the
process of flattening out the Ger-
man line continues and many in-
teresting developments may be
expected shortly. The fall of
Roubaix probably will follow that
of Tournai. The line from
Tournai now runs southward
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Indications are that the Germans
are about to evacuate the pocket
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north of La Fere.

The Germans are preparing to
inundate the low lying lands south
of the Aisne, in eastern Bel-
gium, a Central News dispatch from
Amsterdam reports. The inhabitants
have been ordered to abandon their
homes immediately.

Some Huns Left At Oostend.
Some of the German garrison did
not get away from Oostend. The men
were handed over to the allied forces
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In the area between Bruges and the
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